

ORDINANCE NO. 60-2008

**THIS ORDINANCE LEVIES A
RENTAL OR LEASE TAX ON EACH PERSON ENGAGING
OR CONTINUING WITHIN THE CITY OF MONTGOMERY,
ALABAMA, OR ITS POLICE JURISDICTION, IN THE
BUSINESS OF LEASING OR RENTING TANGIBLE
PERSONAL PROPERTY; PROVIDES PENALTIES
FOR THE VIOLATION OF THIS ORDINANCE.**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MONTGOMERY,
ALABAMA, that Ordinance No. 47-2008 levying a rental or lease tax is hereby amended to
read as follows:**

“Section 1. There is hereby levied, in addition to all other taxes of every kind now imposed by law, and shall be collected as herein provided, a privilege or license tax on each person engaging or continuing within the City of Montgomery in the business of leasing or renting tangible personal property at the rate of four percent (4%) of the gross proceeds derived by the lessor from the lease or rental of tangible personal property; provided, that the said privilege or license tax on each person engaging or continuing within the City in the business of leasing or renting any automotive vehicle or truck trailer, semi-trailer or house trailer shall be at the rate of one and one-half percent (1½%) of the gross proceeds derived by the lessor from the lease or rental of such automotive vehicle or truck trailer, semi-trailer or house trailer; provided further, that the tax levied in this ordinance shall not apply to any leasing or rental, as lessor, by the State, or any municipality or county in the State , or any public corporation organized under the laws of the State, including without limiting the generality of the foregoing, any corporation organized under the provisions of Section 11-54-80 through 11-54-101, Code of Alabama, 1975; provided further that the privilege or license tax on each person or firm engaging or continuing within the City in the business of the leasing and rental of linens and garments shall be at the rate of four percent (4%) of the gross proceeds derived by the lessor from the lease or rental of such linens and garments.

Section 2. Notwithstanding the above, nothing shall prohibit a lessor subject to this local privilege or license tax on the business of leasing or renting tangible personal property from passing such amounts on to a lessee by adding such taxes to the leasing price or otherwise, provided, however, that all such amounts passed on to the lessee shall be includable in the gross proceeds derived from the lease of tangible personal property which shall be subject to the privilege or license tax owed by the lessor.

Provided, however, the authority to pass on such amounts of the privilege or license tax granted in this subsection shall not apply to the leasing or renting of tangible personal property to State of Alabama, a municipality, or county in the state, unless the flat amount collected by the lessor includes both the tax and the leasing fee.

Section 3. Provisions of State Rental Tax Statutes Applicable to this Ordinance and Taxes herein levied. The taxes levied by Section 1 of this ordinance shall be subject to all definitions, exceptions, exemptions, proceedings, requirements, rules, regulations, and provisions as provided by §§40-12-220 to 40-12-224 inclusive, Code of Alabama, 1975, as amended.

Section 4. Uniform Procedures. The provisions of Article II, Chapter 16, Code of Ordinances of the City of Montgomery shall govern the penalties, fines, punishments, administrative review, and appeal rights available under this ordinance.

Section 5. Effective Date. This ordinance shall become effective on the first day of November, 2008, and the first payment of taxes hereunder shall be due and payable on the twentieth day of December, 2008. This ordinance shall remain in full force and effect and shall apply to each month of the year 2008, beginning with the month of November and to each month of each calendar year thereafter from year to year."

Adopted this the 18th day of November, 2008.

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)
CITY OF MONTGOMERY)

I, Brenda Gale Blalock, City Clerk of the City of Montgomery, Alabama, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution which was duly adopted by the Council of the City of Montgomery at its regular meeting held the 18th day of November, 2008.

GIVEN under my hand and the official SEAL of the City of Montgomery, Alabama, this the 19th day of November, 2008.

Brenda Gale Blalock
BRENDA GALE BLALOCK, CITY CLERK

APPROVED: Veto 11/24/08

12-02-08 - Council over-rode
Veto and adhered to Ordinance.
Brenda Gale Blalock
City Clerk

Bobby N. Bright
BOBBY N. BRIGHT, MAYOR

Reasons: 1) The 2009 Budget 60-2008
is balanced & this
tax increase is not necessary.
2) This is a bad time to
add taxes on the average
people.